91-03850/

AGRICULTURAL REVIEW 1990

Agricultural production in Nova Scotia in 1990 advanced 1% aided principally by a record blueberry crop, a large apple crop and strong growth in poultry demand and production. Despite the large apple and blueberry crops growing conditions for most crops were adverse. Total crop production increased 4% but excluding apples and blueberries other crop harvests overall were down 5%. Livestock production was unchanged in total with a 9% decrease in hog marketings, a 5% increase in poultry production and slightly higher milk shipments.

The industry's major aggregate statistics were all virtually identical to their 1989 levels. While market receipts for the calendar year increased 1.3% to $299.5 million, lower government stabilization payments placed total farm receipts at last year $313.1 million (-0.1%). Nationally, farm cash receipts were down 3.6% in 1990. Farm operating expenses at $223.5 million exactly matched last year outlays. The Eastern Canada Farm Input Price Index to September was averaging 0.5% higher. Interest rates and fuel costs increased the corresponding farm expenditures $1.8 million and $2.4 million respectively. Lower grain and other feed ingredient costs reduced feed expenditures by an estimated $6.3 million. Spring fertilizer and seed prices were lower.

Agricultural product prices were largely unchanged. There were some notable exceptions including hog prices which advanced significantly. Fur prices at the auctions held early in 1990, however, continued to trend sharply downward. Crop prices in several cases were lower including some vegetables, blueberries and grain. Dairy product prices increased slightly while poultry and cattle prices averaged around last year's levels for various markets and products.

Industry Statistics 1985-90

	Three-Year Average 1985-87	1988	1989	1990
Farm Cash Receipts ($000)	274,380	311,325	313,410	313,081
Farm Operating Expenses & Depreciation Charges[1] ($000)	223,558	238,528	248,482	248,648
Farm Product Price Index N.S. (Sept.) 1986=100	100.3	103.9	105.6	109.6
Farm Input Price Index East. Can. (3rd Qt.) 1986=100	99.5	107.4	111.6	112.2
Capital Value of Farms ($000)	964,198	968,000	996,590	n.a.

1. Gross of applicable rebates.

Fruit Crops

A record blueberry crop and a larger apple harvest boosted fruit production in 1990. Fruit production overall was a third larger compared with the 1989 level. The record 27,994,000 lb. lowbush blueberry crop was 25% above the previous 1988 record level and it was over 50% above the previous five-year average. Large crops were also experienced in other North American blueberry production regions and berry prices fell to $0.36/lb. Grower returns increased 9.8% to total $10.2 million.

The 1990 apple crop at an estimated 3.3 million bu. was 22% above the 1989 harvest and 10% above the average annual production since 1985. North American apple production was down slightly. Central Canada storage holdings are down about 9% with McIntosh holdings down 9% in Quebec and 31% in Ontario.

The strawberry crop was estimated to be down 5% to 3.8 million quarts.

Fruit Production and Grower Prices N.S. 1985-90

Crop	Units	Three-Year Average 1985-87	1988	1989	1990
Production					
Apples	000 bu	2,750	4,200	2,700	3,300
Pears	000 bu	70	90	50	50
Plums	000 bu	9	5.5	6.5	4
Lowbush Blueberries	000 lbs.	16,229	22,448	16,832	27,994
Highbush Blueberries	000 pt.	360	320	290	263
Strawberries	000 qts.	4,000	4,500	4,000	3,800
Cranberries	000 lbs.	480	450	450	450
Raspberries	000 pts.	131	141	160	160
Grapes	tonne	56[1]	113	118	145
Grower Prices					
Apples	$/bu	3.52	3.03	3.19	n.a.
Pears	$/bu	7.93	8.31	9.90	n.a.
Plums	$/bu	16.30	12.54	n.a.	n.a.
Lowbush Blueberries	$/lb.	0.42	0.60	0.55	0.36
Highbush Blueberries	$/pt.	1.40	1.40	1.40	1.40
Strawberries	$/qt.	0.93	0.97	1.00	n.a.
Cranberries	$/lb.	0.72	0.70	0.70	n.a.
Raspberries	$/pt.	1.01	1.25	1.30	n.a.
Grapes	$/tonne	662[1]	662	662	662

1. 1987 crop only

Vegetables and Potatoes

The 1990 growing season was difficult for potatoes and many vegetable crops. Total commercial field vegetable and potato plantings were unchanged at approximately 12,000 acres. Reduced yields cut field vegetable crops overall by about 9-10% and the potato crop was down an estimated 16.7%. For the calendar year receipts from potatoes are estimated to be $6.5 million (-17%) and vegetable receipts $10.2 million (-18%).

The broccoli crop which growers have been developing rapidly increased almost 50% to about 1.6 million lbs. in 1990 despite lighter per acre yields. Lettuce production was also increased. Yields were lower for most other crops including processing peas and carrots.

Storage holdings in Nova Scotia of vegetables at January 1/91 were above year before levels for onions and carrots while rutabaga/turnip supplies were the same and cabbage holdings were down. Overall Maritime and eastern Canada holdings were down for most products. Average returns for all vegetable crops are expected to be down 4% overall but storage crops are currently selling above last season.

Potato plantings increased slightly but dry conditions reduced yields to an average 21.9 tonne/ha (-22%). The total harvested crop is estimated at 39,800 tonne.

Potato Production, Yields and Farm Value 1985-90

	Three-Year Average 1985-87	1988	1989	1990
Production (tonne)	37,500	42,800	47,800	39,800
Average Yield (tonne/ha)	22.8	25.2	28.1	21.9
Farm Value ($000)	4,697	6,462	7,680	n.a.

Greenhouse and Nursery Products

Greenhouse operators in Nova Scotia reported $16.4 million in product sales for 1989. Ornamental and plant sales accounted for just under 90% of sales and vegetable the remainder. Demand for floriculture products has been increasing steadily over the past decade. The current recession could slow this trend as consumer demand for these products is more sensitive to income than for virtually any other agricultural products produced in Nova Scotia. The smaller greenhouse vegetable sector has been steadily building with receipts in 1989 for tomatoes, cucumbers and other vegetables approaching $2 million.

In 1989 the 20 sod growing operations in the province harvested over 1500 acres valued at about $5.0 million at the farm. Ornamental nurseries have approximately 250 acres in production.

Reported Greenhouse Production and Sales, N.S. 1986-89

	1986	1987	1988	1989
Greenhouse Production M^2	169,489	172,026	177,118	165,553
Greenhouse Product Sales $000	15,132	13,933	17,720	16,425
Vegetable Sales[1]	1,432	1,574	1,695	1,658
Ornamental & Plant Sales[2]	13,652	12,161	16,025	14,454

1. Tomatoes and cucumbers only
2. Includes some sales to other greenhouses

Honey and Maple Syrup

A season with average yields produced a 409,000 lb. honey crop slightly below last year's estimated level. The North American crop overall was below average and carry-over was also reduced. Consequently, markets for the 1990 crop are expected to remain firm.

Honey and Maple Products Production 1985-90

	Three-Year Average 1985-87	1988	1989	1990
Production				
Honey 000 lb.	424	285	420	409
Maple Products, 000 gal.	13	21	20	21
Yields				
Honey lb./colony	64	50	70	66
Maple taps per gal.	15.78	10.86	12.49	12.65
Price				
Maple Syrup $/gal.	33.91	39.15	39.00	39.00
Honey $/lb.	1.19	1.41	1.05	n.a.

Maple production in 1990 totalled 20,500 gallons returning $800,000 to producers. Past returns have encouraged producers to increase the number of taps and production has been trending upward. The 1990 spring season was mixed with good and poor yields experienced at various locations in the province. The supply situation in Quebec has held returns at close to $39/gal. now for the past four years.

Grain Crops

Plantings were higher but yields were below average for grain crops in 1990. At an estimated 49,500 tonne harvested, volumes were down 8% compared with 1989. Deliveries to Grain Commission facilities to-date have totalled 11,360 tonne, down from 15,880 last season. Deliveries of milling wheat to the end of December were 3,345 tonne and may total 5,000 tonne for the year.

International grain markets have been weak this marketing season and returns from cash crop grains and particularly for milling wheat have been disappointing. Milling wheat returns are down $60-70/tonne while barley prices are about $25 under year ago levels and corn prices $6-7/tonne lower. Early in the new year the federal government announced intentions to implement a new generation of farm "safety net programs" the first of which will cover grains and oilseeds.

N.S. Grain Production, Yields and Prices 1985-90

	Three-Year Average 1985-87	1988	1989	1990
Production				
Wheat	8,900	12,200	11,700	7,600
Oats	14,700	14,500	15,400	17,000
Barley	14,200	14,600	18,100	18,500
Grain Corn	5,500	5,800	8,400	6,400
	43,300	47,100	53,600	49,500
Yields (tonne/ha)				
Wheat	3.57	3.81	4.18	3,17
Oats	2.08	2.30	2.23	2.10
Barley	2.75	2.98	3.18	2.53
Grain Corn	3.60	5.80	6.00	4.57
Prices ($/tonne)	1985-87	1988	1989	1990-91[F]
Corn 2CE Chatham Elevator	98	141	118	108
Barley 1FD WCE Thunder Bay	87	121	109	93
Wheat 1 CWRS 13.5% St. Lawrence	207	249	213	163

Other Field Crops

Yields were reduced for fodder crops in 1990 and at estimated harvests of 435,000 tonne of hay and 47,000 tonne of silage corn forage supplies are 6-7% lower than a year ago. There were some carryovers of hay from the previous crop, however, and supplies are considered adequate for what is a similar number of livestock on farms this winter. The fall pasturing season was also extended.

Tobacco growers shipped a 1.1 million lb. crop in 1990 which returned $2.4 million. Hail damage had reduced the 1989 crop and production returned to the levels of recent years.

Hay and Fodder Corn Production and Yields 1985-90

Crop	Units	Three-Year Average 1985-87	1988	1989	1990
Production					
Hay	000/tonne	367	463	463	435
Fodder Corn	000/tonne	65	55	59	47
Yields					
Hay	tonne/ha	5.9	6.6	6.6	6.3
Fodder Corn	tonne/ha	28	27	29.5	22.4

Dairy

Dairy product returns in 1990 totalled $87.3 million after transport charges and levies. This was 1.8% above 1989. Milk and cream production for the 1989-90 (Aug.-July) dairy year was 176,568,000 litres, slightly above the 1989 level. Fluid sales were down 0.7% and manufacturing milk and cream deliveries were 2% higher. During the fall period of the current dairy year, farm shipments increased while fluid utilization dropped slightly due to reduced sales in N.S. and lower shipments to Newfoundland. This has boosted industrial milk and MSQ utilization at a time when national butter sales have curtailed production targets. Many farms are adjusting to this situation but there is a concern that a number of farms will ship over quota before mid-summer.

The number of milk cows on farms at mid-year was estimated at 33,200. Milk production per cow has been steadily increasing. Production per cow increased from 5,847 kg to 7,115 kg on DHAS farms during the 1989 period. Dairy farms have also made rapid gains in improving forage quality and reducing purchased feed utilization over the past decade. The number of milk and cream shippers fell in 1990 from 698 to 663 and the average provincial herd size increased to over 50 cows.

Dairy Statistics 1985-90

		Three-Year Average 1985-87	1988	1989	1990
Milk Cows on Farms (July 1)		34,100	33,600	33,600	33,200
Number of Milk & Cream Producers		747	715	698	663
Producer Milk Prices ($/hl)	I	54.39	57.70	58.29	59.85
	II	40.11	41.30	41.61	42.00
Milk Sold for Fluid Purposes[1]		115,497	114,677	113,125	112,321
Milk & Cream Sold for Industrial Purposes[1] (000 L)		62,364	63,874	62,936	64,247
Total Volume Sales[1]		177,861	178,551	176,061	176,568

1. Figures are for Aug.-July dairy year.

Cattle and Sheep

The number of cattle and calves on farms at mid-year was estimated at 128,000 unchanged from the same date in 1989. Market prices for the year were close to 1989 annual averages with most prices averaging marginally higher for the year. Feeder cattle markets in the fall were stronger. At Truro the average return at the fall feeder sales increased 3.7¢ to $90.37/cwt. Farm receipts from final industry sales of cattle and calves were estimated at $35.1 million. The Nova Scotia Beef Commission was established in 1990 to aid the development of this sector of provincial agriculture.

Sheep and lamb numbers at mid-year were estimated to have fallen 7% to 33,500. Outside the Atlantic Provinces the national sheep flock has continued to expand and prices have fallen from the peak levels achieved in 1987. Coyote predation has become a major problem in Nova Scotia and is the most frequently cited reason for producers leaving this business.

Cattle and Sheep Numbers and Prices 1985-90

	Three-Year Average 1985-87	1988	1989	1990
Cattle				
Est. No. of Cattle on Farms (July 1)	132,000	126,000	128,000	128,000
Est. No. of Beef Cows and Heifers for Breeding (July 1)	29,800	28,800	29,300	29,600
Truro Fall Feeder Sales Average Price ($/cwt)	83.56	88.56	86.67	90.37
Steers A1/2 Ontario ($/cwt)	84.45	86.78	88.56	89[A]
Sheep and Lambs				
Est. No. of Sheep and Lambs on Farms (July 1)	39,500	38,000	36,000	33,500
Average Price of Ewe Lambs (Annual Breeding Stock Sale)	116.52	93.70	114.12	
A and B Lambs, 80-100 lbs. (Toronto)	105.40	104.71	98.63	90[A]

Pork

Hog marketings in 1990 fell 9% to approximately 226,400 animals. The number of sows and gilts on farms at Oct. 1 was also down by 3% compared with the same date in 1989. Consequently, production for 1991 will probably be lower again although this will be moderated by the increased number of pigs being weaned per sow. Significant livestock productivity gains are also being recorded in the area of carcass quality indexes by the provincial industry.

Market returns during 1990 recovered to average $1.63/kg. This was 16% better than 1989 prices and slightly above the previous five-year average return. For 1991 pork prices are expected to average close to the 1990 level. The sector's receipts in 1989 were up 7.5% to $31.1 million.

Manufactured hog ration prices are about $10/tonne below year ago levels as a result of lower feed grain and ingredient costs. Compared to other regions feed costs are still relatively very high and this has been a severe structural problem for hog producers now for a decade. Regional farm organizations considered this situation at the Atlantic Feed Policy Conference in Moncton on January 28-29.

Hog Marketings, Numbers on Farm and Prices 1985-90

	Three-Year Average 1985-87	1988	1989	1990
Hog Marketings	235,800	239,017	248,788	226,400[A]
N.S. Base Price (Index 100) ($/ckg)	171	142	140	163
Total Pigs on Farm (Oct. 1)	144,000	145,000	141,000	135,000
Sows and Bred Gilts on Farms (Oct. 1)	13,800	13,100	12,800	12,400

Poultry and Eggs

Poultry production in Nova Scotia increased 5% as a result of increasing consumer demand in 1990. Further quota increases are planned for 1991. In the case of turkey, increased market share will be given to provincial producers this May in accordance with that commodity's national marketing plan and made possible by the strong rise in turkey consumption. This will result in a 13.5% expansion for the provincial sector. Provincial chicken production is expected to surpass 20 million kg in 1991. Per capita chicken consumption has increased 18% in the past five years and 75% since 1975.

Grower prices for poultry averaged at or just below the 1989 levels and total poultry receipts in 1990 were approximately $40.1 million.

Table egg production was slightly lower provincially and nationally following a 2% cut in the laying flock (quota) implemented in May. The rate of lay of birds has continued to increase and total egg production for the year was down less than 0.5%. A welcome moderation in the rate of decline in per capita egg disappearance was experienced in 1990 and total disappearance increased as a result of population growth. The national agency has implemented some marketing plan changes, such as seasonal pricing, to better enable it to deal with egg supplies surplus to the table market. Producer egg prices were 4¢/dozen lower in 1990 as a result mainly of lower feed costs.

Poultry and Egg Production and Prices

	Three-Year Average 1985-87	1988	1989	1990
Production				
Chicken, tonne evis.	17,153	19,488	18,522	19,398[P]
Turkey, tonne evis.	2,247	3,079	3,128	3,350
Eggs - sold for consumption, 000 doz.	17,014	17,568	17,465	17,400[P]
- hatching, 000 doz.	997	1,241	1,493	n.a.
Producer Prices				
Broiler Chicken (live) $/kg	1.121	1.181	1.263	1.256
Roaster Chicken (live) $/kg	1.230	1.291	1.373	1.367
Broiler Turkey (live) $/kg	1.502	1.563	1.560	1.51
Eggs Table $/doz.	0.97	1.05	1.15	1.11

Fur

The ranch fur production from 1989 was sold at auctions early in 1990 and returned $6.3 million to the provincial industry. Pelt prices were again lower at an average $19 for mink and $39 for foxes. Large international supplies have been one factor in the market weakness of recent years. The production from 1990 will be sold at auctions in the coming weeks. Early off-shore fur sales recently held indicated some market improvement but the Persian Gulf war has increased uncertainty.

The number of mink on provincial farms at the beginning of 1990 were down 3.5% and numbers were down 27% for foxes. Canadian mink numbers in total were down 22% while foxes were lower by 28%. Nova Scotia accounted for 25% of the mink in Canada and 20% of the mink operations. There are 260 farms producing ranch fur in Nova Scotia and it is a significant part of the economic base of a number of rural areas in the province.

Mink and Fox Statistics 1985-90

	Three-Year Average 1985-87	1988	1989	1990
Mink				
Mink on Farms (Jan.1)	89,322	92,600	93,600	90,300
Number of Pelts Produced	245,004	265,400	278,200	n.a.
Value of Mink Pelts ($)	10,177,150	7,406,632	5,365,675	n.a.
Average Value Per Pelt ($)	42.86	27.79	19.29	n.a.
Number of Farms Reporting Mink	107	113	102	n.a.
Fox				
Foxes on Farms (Jan.1)	8,412	12,200	9,200	6,700
Number of Pelts Produced	14,773	23,700	23,100	n.a.
Value of Fox Pelts ($)	2,033,407	1,276,987	890,674	n.a.
Average Value Per Pelt ($)	136.13	53.88	38.56	n.a.
Number of Farms Reporting Foxes	183	180	161	n.a.